

The Retailers' Occupation Tax Act imposes a tax upon persons engaged in the business of selling at retail tangible personal property. 35 ILCS 120/2 (1998 State Bar Edition). (This is a GIL.)

January 19, 2001

To Whom it May Concern:

This letter is in response to a complaint the Department dated December, 2000 regarding your failure to collect tax from the operation of a thrift shop. The nature of this complaint and the information provided require that we provide you with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120(b) and (c), which can be found on the Department's website at <http://www.revenue.state.il.us/legalinformation/regs/part1200>.

Entities that make retail sales in Illinois are required to register with the Department and remit tax on their sales. The Retailers' Occupation Tax Act imposes a tax upon persons engaged in the business of selling at retail tangible personal property. 35 ILCS 120/2 (1998 State Bar Edition). The Use Tax Act imposes a tax upon the privilege of using in this State tangible personal property purchased at retail from a retailer. 35 ILCS 105/3 (1998 State Bar Edition).

Even if you are an organization that has been determined to be exclusively religious, educational, or charitable, and has received a valid exemption identification number from the Department, your organization must nonetheless register with the Department as a retailer, file returns and remit tax when you engage in ongoing selling activities, such as sales of items in a thrift shop run by a church. See the enclosed copy of 86 Ill. Adm. Code 130.2005(b)(2) and 130.2007.

I hope this information is helpful. The Department of Revenue maintains a website, which can be accessed at www.revenue.state.il.us. If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of Section 1200.110(b).

Very truly yours,

Melanie A. Jarvis
Associate Counsel

MAJ:msk
Enc.